



MEMORANDUM

TO: Directors of the Corporation

FROM: John F. Spencer
Chief Executive Officer

DATE: February 23, 2005

SUBJECT: New Jersey Schools Construction Corporation
January Progress Report

Introduction

New Jersey Schools Construction (SCC) opened the New Year with a flurry of activity in procurement and contract administration, building upon its successful momentum as it began its third year of operation. In January, SCC awarded 17 construction packages impacting 18 schools in 11 districts, and advertised another 4 construction packages for schools in 3 districts. SCC also executed 35 Section 15 grants in 6 counties with 9 districts that receive less than 55% of their budget in state aid. These grants supported projects totaling more than \$122 million – with a state share totaling more than \$31 million.

Since its inception, SCC has committed support to over 2,700 school construction projects at nearly 1,800 schools, completing \$660 million in health and safety projects at over 350 urban schools. In addition, SCC is building early childhood education centers, launching school-based community revitalization efforts and strengthening the economy by creating employment and business opportunities for companies large and small.

More New Schools for New Jersey's Children on Tap in 2005



SCC to Complete Over 100 School Construction Projects

New Jersey's children are in for a great year in 2005, New Jersey Schools Construction Corporation (SCC) CEO John F. Spencer told the SCC's Board of Directors in January.

"The beginning of a new year is a time to look back on your progress and ahead to new possibilities," Spencer said. "Last year, thousands of New Jersey schoolchildren began the school year in new, state-of-the-art learning environments built by the SCC and our partners throughout the state. And we're just getting started. New Jersey's children and the SCC are in for another great year in 2005."

Building on its progress, the SCC expects to complete just over 100 new schools and major addition/renovation projects this year, which will provide 21st century learning environments for tens of thousands of schoolchildren in school districts across the state. Included in those projects are:

- 14 brand new schools in urban areas;
- 18 major additions/renovations to schools in urban areas;
- 20 brand new schools in suburban areas;
- 60 major additions/renovations to schools in suburban areas.

Many of the new schools are expected to open in time for the 2005-06 school year. One will be the new elementary school in Cumberland County's Fairfield Township. This new 75,000-square-foot pre-kindergarten-8th grade school will educate 600 students. It will have 31 classrooms, a science lab, media center and a cafetorium.

Another new school project, in Jersey City, will be an educational facility for both elementary and middle school students. The scarcity of land available in urban areas has been a critical issue, and this project provides a unique solution to this problem. Both Middle School #4 and Elementary School #3 are currently under construction on a shared site. The combined school, which will serve nearly 1,300 students, will include 44 classrooms, an auditorium wing, a gymnasium/cafeteria wing and an educational/administrative wing.

Spencer also noted that the SCC's efforts would not be limited to construction achievements. "Over the course of 2005, we expect to see expansion of our programs for small, women- and minority-owned businesses participating in our program. These include contractor training programs, a mentor-protégé program, surety bonding and working capital assistance programs, designed to help small businesses get the financial backing they need to compete for larger school construction projects, and an aggressive "carve-out" program to provide contracting opportunities solely for small businesses."

The SCC anticipates that 2005 will be its busiest year to date. In addition to opening new schools, the SCC expects to begin construction on more than 80 school projects in 2005.

**School-Based Community
'Demonstration Project'
Initiatives to Break Ground**



Trenton Demonstration Project

The SCC expects that six school-based community initiatives, called "Demonstration Projects" will break ground in 2005. Partnering with local communities, the SCC is helping lead unique school construction and community revitalization projects in Union City, Trenton, Vineland, New Brunswick, Camden and East Orange.

SCC Supports Suburban School Construction Projects

Over the course of 2005, SCC anticipates that a minimum of 20 new schools will open for students in suburban areas where the SCC provides financial support, but does not manage school construction efforts. Additionally, nearly 60 more addition and renovation/expansion projects will be accomplished in suburban districts. All in all, the SCC estimates that \$380 million will be disbursed through these grants for 2005, assisting construction endeavors across New Jersey.



SCC, Jersey City Community Hold Ribbon Cutting
For Glenn D. Cunningham Early Childhood Center
*State Fully Funded, Managed \$3.1 Million Project Honoring Late Jersey City Mayor,
State Senator, and Civic Leader*

Jersey City's youngest students will begin a lifetime of learning thanks to a ribbon-cutting for a new, state-of-the-art early childhood center that bears the name of one of Jersey City's late great civic leaders. Students, teachers and community supporters joined representatives of the Jersey City School District, the City of Jersey City, and New Jersey

Schools Construction Corporation (SCC) for a ribbon cutting ceremony January 28th for the new Glenn D. Cunningham Early Childhood Center.

Named for the late Mayor and State Senator Glenn D. Cunningham, this \$3.1 million facility is a full renovation of a former commercial building located at the corner of Danforth and Ocean Avenues in the Greenville section of Jersey City.



The Early Childhood Center is approximately 12,000 square feet with 5 color-coded classrooms and an interior Playroom. The Playroom's roof is raised to include a clerestory for additional natural lighting for the space. The Glenn D. Cunningham Early Childhood Center provides educational opportunities for 75 three- and four-year-old students. Designed by L+C Architects and built by Jeral Construction Services, this is the first facility of its kind to open in Jersey City.



During the ceremony, the crowd heard from a number of leaders within the Hudson County community, as well as from the widow of the late Glenn D. Cunningham, Mrs. Sandra Cunningham, who participated in the dedication of this Early Childhood Center.



Donald Moore, SCC Managing Director, Design & Construction, Mrs. Sandra Cunningham, State District Superintendent, Dr. Charles T. Epps, Jr., Mike Rafat, SCC Regional Director, Design & Construction



SCC, Harrison Community Break Ground For New High School *State Fully Funding, Managing \$45 Million Project*

Hundreds of Harrison students will realize their career hopes and aspirations thanks to the kick-off January 19th of construction for a new, state-of-the-art high school. Students, teachers and community supporters joined representatives of the Harrison School District, the Town of Harrison, and New Jersey Schools Construction Corporation (SCC) for a groundbreaking ceremony for the new Harrison High School.

This new \$65 million facility is located on a ten-acre parcel in the northwest corner of the Town of Harrison. The High School will be 167,000 square feet, and provide state-of-the-art educational opportunities for over 850 students in 9th through 12th grades. When complete, the new Harrison High School will include 30 general classrooms, four special education classrooms, two classrooms for small group instruction, two gymnasiums, a media center, science labs, a computer room, and an instrumental/vocal music room, among other features. The new high school was designed by El Associates, Architects and Engineers, and will be



*Peter B. Higgins, III, Facility Project Manager, Mayor Raymond J. McDonough,
Hudson County Executive Thomas A. DeGise, Assemblyman Vincent Prieto,
Anthony R. Comprelli, Superintendent of Schools*

built by Terminal Construction Corporation. Bovis Lend-Lease, in alliance with Imperial Construction Group, is the project management firm.

School Superintendent Anthony Comprelli stated, "Any construction or renovation project requires vision, commitment, and belief, in this case, that the education of our children is important and our children are important for the future of our country, society, and community. The ground breaking for the new Harrison High School is another major step forward in shaping the future of our community."

Assemblyman Vincent Prieto (D-32, Secaucus) echoed Superintendent Comprelli's praise for all involved, saying, "I have seen firsthand what hard work, cooperation, and vision can do for a community, and I have seen it here in Harrison. The efforts of local, state, and education officials have been absolutely tireless. Their dedication ensures a bright future for the next generation of Harrison's leaders."



young people. Our schools are designed to give students cutting-edge technology and academic environments that promote learning and achievement."

John F. Spencer, SCC Chief Executive Officer, remarked, "With the start of construction, we are proud to share in this great day for the entire Town of Harrison. This project will benefit students, teachers and the community at large. The SCC is providing high-performance schools that will help transform the future for our



SCC Career Day Presentation Lets Students In On the Ground Floor Of School Construction Projects

Third grade students at Thomas Jefferson Elementary School in Washington Township, Gloucester County, recently learned about the design and construction of 21st century schools during a Career Day presentation by a representative of the New Jersey Schools Construction Corporation (SCC).

Senior Project Officer George Gottuso presented architectural drawings and blueprints of some of the hundreds of new schools now being built by SCC, the state agency in charge of an \$8.6 billion overhaul of educational facilities throughout New Jersey's 21 counties.

Wearing plastic yellow SCC "hard hats," students in Doris Middleton's class rolled up their sleeves and joined Gottuso in poring over blueprints of classrooms, gyms, auditoriums, computer labs and media centers – standard fare in SCC's state-of-the-art facilities. Thus inspired, many of the students took pencil to paper and tried their hands at their own designs.

Gottuso spoke of the role that mathematics – especially concepts of measurement, geometry and area, which the students are now learning – plays in design and construction. He also got down to basics, showing students various tools – a hammer, saw, screwdriver, pliers – while stressing the importance of using them carefully and correctly.

Gottuso's talk was well received by the attentive students. They sent him hand-made "thank you" notes with drawings of tools, building designs, and many compliments – and a beribboned booklet with photographs of Gottuso and the students at the event.

"Your presentation was really cool!" one student wrote. Another student said, "I learned a lot about construction and all the other stuff you taught us ... I didn't know you could use math in construction." Another wrote, "I always told my mom I wanted to be a house builder because I like to build things, fix things and make things ... thank you so much!"

Mrs. Middleton said Gottuso "certainly will be a memorable and valuable part of their educational experience – one that could not be found in a textbook or computers."

Gottuso was overwhelmed by the students' reaction and honored to be able to speak about SCC. He noted Jefferson School students already have benefited from SCC, which is providing over half the funding for a new roof for their school in their community and 46 percent funding of the school district's \$16.3 million building program.

"We're building and improving schools here and throughout the state for our children and our future – and let's face it, our children are our future," Gottuso said.



Construction Update

Construction Starts

The SCC awarded 17 construction packages in 11 districts during the month of January for combined construction cost estimates totaling \$163,194,698. These awards will involve 18 schools in districts including: Asbury Park, Elizabeth, Harrison, Irvington, Jersey City, Newark, Passaic, Plainfield, Vineland and West New York.

As of January 31, 2005, the SCC has entered into 457 construction contracts that total \$2,221,562,733 since the inception of the program.

Contractor Procurement

The SCC advertised 4 construction packages for 3 school districts in the month of January, which will impact 4 schools. (Exhibit B.)

Design bids were sought for 4 schools in 3 districts in January as well. (Exhibit C.)

Design update

As of January 31, 2005, the SCC has entered into 275 design contracts with a total value of \$353,731,765 as well as assumed an additional 75 architectural assignments that totaled \$100,261,331.

Predevelopment & Land Acquisition

At the January Board meeting, the directors granted contingent approval for land acquisition to take place for several projects.

One such approval was for acquisition of properties on a 3.2-acre tract of land adjacent to the Lanning Square Elementary School in the City of Camden in Camden County to make way for a replacement school. The new school will be an 83,000 gross square-foot two-story facility that will serve 539 students in pre-Kindergarten through 6th grade.

Another acquisition contingently approved at the Board's January meeting was for properties comprising 1.1 acres in Jersey City, Hudson County. This acquisition will increase an existing school site to 2.81 acres for the expansion of the Dr. Charles P. DeFuccio School (PS# 39). The expansion project involves a 61,000-square-foot 4-story addition, which will increase the existing 3-story school to 165,000 square feet. The current school serves 458 students in Kindergarten through 8th grade and will be reconfigured for 759 students in Kindergarten through 8th grade.

The Directors also contingently approved acquisition of a property in New Brunswick, Middlesex County, for the Sanford Kindergarten Center. The site is 2.99 acres and will be for a new 50,169-square-foot facility designed to serve upwards of 210 students.

School District Grants

In January, the SCC executed 35 Section 15 grants with 9 districts that receive less than 55% of their funding in state aid. The total project costs for these grants are expected to be \$122,221,464, with a state share anticipated to be worth \$31,389,415 of that total.

Several districts received multiple grant awards in January. They include Kearny in Hudson County, which will receive grants for projects at 13 schools. The total projects costs are expected to be \$10,765,214, with a state share of \$4,306,085. East Brunswick Township in Middlesex County will receive \$24,860,121 toward 4 projects, worth \$106,456,407.

As of January 31, 2005, the SCC has executed 1,773 Section 15 grant agreements with districts that receive less than 55% of their budget in state aid for total project amounts of \$5,502,135,459, for which the state share totaled \$1,683,335,481. In January alone, 9 districts in 6 counties received \$31,389,415 in direct property tax relief as the state share for projects that totaled \$122,221,464.

Office of Diversity and Emerging Business Markets

New Year, New Schools ... New Challenges

By John F. Spencer, CEO

While a new year of new promises and new challenges is under way, we at the Schools Construction Corporation would like to congratulate all of our partners for a job well done in 2004. The New Year will certainly be a busy one for our agency and our partners. With more than 2,500 projects completed or ongoing that will impact more than 1,700 schools across the State, we're seeing some tremendous progress. As CEO, I am encouraged by what is happening throughout the State:

- Small businesses are gaining vital work experience with a state entity that will enable them to continue to grow. In the last year, 43 percent of our construction contracts have gone to small, minority-and women-owned businesses. Our training programs have graduated nearly 500 people, and are giving them more than a job, but a lifetime career.

- The days where a school is only used from 8 am to 3 pm and from September to June are over. The SCC is creating schools with libraries, media centers, health centers and community meeting places that can be used after hours and on weekends by residents.
- The school construction program is benefiting children of all ages, in every corner of our State—in urban and suburban districts, in elementary schools and high schools, in vocational schools and early childhood centers.

But 2005 is also a year that will bring many challenges. By January 2006, SCC will have committed all of its resources, while its obligation to our children will be unmet. This is largely due to the cost per square foot to design and construct a school being underestimated in the original legislation; inflation increasing the price of labor and materials; land acquisition, remediation and relocation not being factored into the original \$8.6 billion, as well as the costs to build pre-schools and provide temporary classrooms for students. SCC has made tremendous progress, but there is much more work to be done. Together, we can transform our schools, and the future of our State.

SCC's New Tool for Contractors: The Customer Service Center

The New Jersey Schools Construction Corporation (SCC) has created a new "Customer Service Center" to address the needs of vendors and contractors in a more timely and efficient way. The Customer Service Center should be contacted only after vendors have used standard channels to try to resolve their issues. The Customer Service Center is available at the SCC's website or by calling the Center directly between 8:30 a.m. and 5:00 p.m. Monday through Friday.

- Callers within the State of New Jersey **800-371-5940**
- Callers outside of the State of New Jersey **609-341-5900**
- On the web at **www.njscc.com/ContactUs/Customer_Service.asp**

The new Customer Service Center is another example of the SCC's on-going efforts to improve the ways in which it meets the needs of all of its partners—architects, design teams, project management firms, general construction companies and subcontractors—that are helping the SCC build 21st Century schools for the 21st Century's leaders.

The Office of Diversity & Emerging Business Markets is dedicated to increasing the availability and accessibility of school construction opportunities for small, women and minority-owned businesses and individuals in New Jersey. For more information on how you can be part of our effort to build a better New Jersey, contact Kellie Drakeford, Director, Office of Diversity at (609) 292-1680

Conferences/Presentations

Northeast Regional Interstate Labor Standards Association, 5/03-04/2004, Atlantic City

NJ Future 2004 Smart Growth Awards, 5/05/2004, Newark

Town Meeting on Construction, 5/05/2004, Burlington City

Orange School District Career Day, 5/07/2004, Orange

Kids in Concert, 5/12/2004, New Brunswick

Southern NJ Development Council 8th Annual Construction Forecast and Exhibits, 5/14/2004, Mount Laurel

Architects of Tomorrow Career Day, 5/15/2004, Newark

Cold Springs School Dedication, 5/15/2004, Gloucester City

Long Branch Middle School Beam Signing Ceremony, 5/17/2004, Long Branch

NJ Association of School Business Administrators 22nd Annual Spring Conference, 5/20/2004, Atlantic City

Presentation to Trenton BOE, 5/20/2004, Atlantic City

3rd Annual Caribbean American & Hispanic, Women & Small Business Procurement Expo, 5/22/2004, Newark

Appraisal Institute Conference – Metro NJ Chapter, 5/24/2004, Princeton

Public Information Meeting, 5/25/2004, Gloucester City

Contractor Trades Training Program Tour of Elizabeth School Construction Project, 5/26/2004, Elizabeth

Jose Marti Middle School Tour, 5/27/2004, Union City

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Building Contractors Association of NJ – Informational Seminar, 5/27/2004

Irvington Community Outreach Meeting, 5/27/2004, Irvington

John F. Spencer

Prepared by: Kevin McElroy

Attachments

Construction Award Status Report

<u>District</u>	<u>Schools</u>	<u>Description of Work</u>	<u>Contract Award</u>	<u>Notice to Proceed</u>
Elizabeth	Number 70, Cleveland M.S.	The demolition and replacement of the stair tower penthouse in the design documents.	\$239,000.00	1/4/2005
Irvington	Mt. Vernon Elementary School	Build new 93,400 GSF Elementary School adjacent to existing occupied school facility. The project comprises overlapping Site Development (Phase 1) and Main Building Construction (Phase 2) packages.	\$22,269,200.00	1/5/2005
Elizabeth	New pre K-8 #28 (-x04)	This SBE package will require a complete sewer relocation from the existing school site as outlined in the design documents.	\$437,000.00	1/6/2005
Harrison	New Harrison High School (-x01)	Construction of approximately 155,000 sf new high school building to include auditorium, gymnasium, media center, swimming pool, mechanical room, and bleacher building for athletic fields. Site work to include athletic fields, on-site parking, landscaping, front plaza, drainage, etc.	\$43,950,000.00	1/6/2005
Asbury Park	Marshall ES	Addition of 15,605 sf building and renovation of the existing school building. This is a carve out construction project for SBE.	\$8,820,000.00	1/7/2005
Newark	New 500 student ES replace existing (100K SF) (1st Ave replacement)	Relocate three two-section temporary classrooms from storage site in Elizabeth to 1st Avenue School site	\$192,000.00	1/7/2005
Vineland	Vineland Middle School #1	Construction of an approximate 119,417 sf, new Middle School.	\$25,400,000.00	1/7/2005
West New York	New ES to replace PS 4	126,393 S.F. New school and garage underground.	\$25,400,000.00	1/10/2005
Elizabeth	Elizabeth Performing Arts HS	This Phase - 1 construction project proposes to provide required utilities including a new power supply, transformer, emergency generator, fire protection, water supply, sanitary sewer connection, and renovations to the HVAC systems for a portion of the Trinitas site located at Reid St. and Lafayette St. The portion of the building being disconnected is presently housing part of the Elizabeth school district staff, which shall remain once the balance of the building is demolished in a future phase followed by the construction of the new High School.	\$1,120,000.00	1/13/2005
Plainfield	New Emerson	Site preparation package including demolition of all existing buildings, asbestos abatement, temporary power & site fencing.	\$1,036,850.00	1/14/2005
Vineland	Vineland Middle School # 1	Installation of the IT and infrastructure systems in conformance with the District Technology Plan including communications and computer systems.	\$695,000.00	1/14/2005
Vineland	Veterans Memorial Intermediate Schoc	13,000 S.F., Two story addition and major renovations to the existing school. This includes upgrades to the electrical, mechanical, technology and plumbing systems; flooring, ceiling, lighting, door, and window replacements. Moderate exterior masonry restoration. Site reconstruction and resurfacing of parking areas.	\$12,548,000.00	1/20/2005
Passaic	New MS (117.9K SF) and space for TCU's	Site preparation work consists of the hazardous material abatement and building superstructure/substructure demolition of the Passiac Beth Isreal Hospital and its support structures along with removal of all utilities complete with site fill and grading in preparation for the structure school campus.	\$4,387,000.00	1/21/2005
Jersey City	Number 5 E.S. William L. Dickinson H.S.	The PS 5 project includes upgrades to existing Boilers including new burners and associated equipment, combustion air intake louvers, safety controls, Domestic HW Heaters and Heat Exchangers, misc. piping and ductwork. The Dickenson High School project includes the replacement of existing Boilers and associated equipment, breaching and chimney liner, combustion air intake louvers and safety controls, Domestic HW Heaters and Heat Exchangers, misc. piping and duct work. Some general Construction work is required at both School locations. PS 5 includes the removal of an existing Underground Fuel Storage Tank.	\$4,287,000.00	1/25/2005
Elizabeth	New Pre K-8 #28 (-x04)	Demolish all structures on this school site and remove all debris leaving a clean soil finish grade established by the architect.	\$2,990,000.00	1/26/2005
Elizabeth	New Pre K-8 #27 (-x03)	Involves demolition of all structures on this school site and remove all debris leaving a clean soil finish grade established	\$395,000.00	1/28/2005

Construction Award Status Report

<u>District</u>	<u>Schools</u>	<u>Description of Work</u>	<u>Contract Award</u>	<u>Notice to Proceed</u>
Newark	West Side High School	by the architect. This work involves constructing a perimeter fence around 16 property lots on the proposed site for the West Side High School addition project. The property lots are bordered to existing Wesy Side High School on S. 12th Street between S. Orange Avenue and 13th Avenue in Newark, New Jersey.	\$36,969.00	1/31/2005

Construction Bid Advertising and Bid Due Dates as of March 1, 2005

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Design Bid Advertising and Bid Due Dates as of March 1, 2005

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